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September 17, 2021

VIA ELECTRONIC MAIL

Ms. Myra Reece
Director of Environmental Affairs
S.C. Dep't of Health & Envtl. Control
2600 Bull Street
Columbia, SC 29201
reecemc@dhec.sc.gov

Re: New-Indy stripper maintenance commitments

Dear Ms. Reece:

Following up on the letter of Design Group dated September 15, 2021, on behalf of New-Indy Catawba LLC (New-Indy), please accept this letter as further explanation of New-Indy's commitment "to taking any and all steps necessary to minimize emissions and maintain compliance with applicable law during the stripper maintenance." Ltr. of Hargrove to Reece, dated Sept. 15, 2021.

As you know, the foul condensate stripper is a pollution control device. It is in need of service, maintenance, and repair. New-Indy appreciates the concerns raised about resulting hydrogen sulfide (H2S) emissions that may occur while the stripper is off-line. In furtherance of its environmental stewardship and community partnership, New-Indy is willing to voluntarily provide certain operational assurances and restrictions during the maintenance period for the stripper.

One key metric for processing foul condensate is biological oxygen demand (BOD) in terms of knowing how much loading enters the waste treatment plant. As BOD loading remains consistent and stable without upset conditions, the ASB's efficiency minimizes potential H2S emissions from the pond surface. As you know, the mill has two general pathways for the handling of its foul condensate waste stream—the stripper and "hard piping" directly into the aerated stabilization basin (ASB). When the stripper is taken out of service for repair and maintenance, New-Indy is committing to initially limiting production levels to a level that would normally be handled only by the ASB. In other words, there would be no additional loading to the ASB because production levels would be lowered by the amount that corresponds to the BOD removed by the stripper when it is in operation such that the amount of BOD discharged to the ASB is the same as when the stripper is operational.

For example, at existing production levels—which is below permitted levels—approximately 40,000 lbs. per day of BOD is discharged from the mill directly to the ASB and approximately 21,538 lbs. of BOD is processed through the stripper. The stripper currently removes approximately 21%[1] of that BOD (meaning the stripper removes approximately 4,523 lbs. of BOD). When the stripper goes off-line, New-Indy will curtail production so that it produces 4,523 lbs. less per day of BOD. This number is variable with the actual production levels. But the principle is the same. Whatever the BOD level is that would be generated for the stripper to treat would be curtailed in operations to prevent the creation of that BOD load. This means that production levels will initially be limited to the normal operating load of the ASB.

New-Indy will operate an oxidation reduction potential (ORP) monitor to ensure that appropriate levels are monitored for compliance and to provide an early warning system if levels get out of balance and have a potential to create undesirable emissions of H2S. This provides the mill with the opportunity to be proactive and prevent undesirable emissions from occurring during this maintenance period by adjusting production levels or taking whatever other steps are necessary to ensure compliance with the applicable emissions limits. Further, it is New-Indy's intent to provide DHEC with access to the ORP data via an email delivered to DHEC each hour during this period to allow DHEC to monitor the mill operations and potential emissions.

If there are no exceedances for the first 72 hours after the stripper is taken off-line and no negative or warning indications from the ORP, then New-Indy, after notification to DHEC, would gradually increase production to test the ASB treatment system as an isolated system (a "stress test") to allow New-Indy to gather valuable operating data for utilization in creating additional effective solutions for emissions limitations going forward. Under no circumstance would New-Indy allow production levels to create undesirable emissions or exceed any applicable limitations. And when the stripper is returned to service after its maintenance and repair, then normal production levels would resume.

Thank you for your time and consideration.

Very truly yours,

WILLOUGHBY & HOEFER, P.A.

Randolph R. Lowell

Randolph R. Lowell

[1] With the proposed stripper maintenance and repair, this efficiency is expected to increase significantly, which is good for the community, the environment, and the company.